

STATE FUNDED PROGRAMS

MARYLAND PHARMACY ASSISTANCE PROGRAM

The Maryland Pharmacy Assistance Program (MPAP) was established by legislation in the 1978 session of the Maryland General Assembly and was implemented on January 22, 1979. The purpose of this 100% State-funded program is to provide help to Maryland residents who are not eligible for participation in the Medical Assistance Program, but who meet the eligibility requirements of the Maryland Pharmacy Assistance Program. The covered services are maintenance drugs used to treat chronic conditions, anti-infective drugs, including AZT, and insulin syringes and needles in a specific list of therapeutic categories corresponding to the American Hospital Formulary Services (AHFS) classification numbers with the limitations specified. Recipients are liable for a co-payment of \$5 for each original prescription and refill.

Eligibility for the Maryland Pharmacy Assistance Program is based on the financial resources available to the family unit. The Program increases the maximum gross allowable income standards annually at the time Social Security benefits are increased by the larger of either any Social Security cost-of-living percentage increase, not to exceed 8%, or the dollar amount which the Medical Assistance income standards are increased by the State. The following chart shows the gross allowable income and asset standards effective January, 2001.

MPAP MAXIMUM INCOME AND ASSET STANDARDS FY 2001

PERSONS IN HOUSEHOLD UNIT	GROSS INCOME YEARLY	MONTHLY	ASSET SCALE
1	\$10,000	\$833.34	\$3,750
2	\$10,850	\$904.17	\$4,500
3	\$11,900	\$991.67	\$4,650
4	\$12,750	\$10,62.00	\$4,800
5	\$13,700	\$1,141.67	\$4,950
6	\$14,450	\$1,204.17	\$5,100
7	\$15,650	\$1,304.17	\$5,250
8	\$16,800	\$1,400.00	\$5,400
9	\$18,050	\$1,504.17	\$5,550
10	\$19,000	\$1,583.34	\$5,700

EACH ADDITIONAL \$ 1,350
PERSON

In fiscal year 2001 the average enrollment in MPAP was 38,000 per month. This includes about 27,200 recipients eligible only in the MPAP and 10,800 recipients eligible for both MPAP and other limited Medicaid coverage. To avoid duplication of enrollment counts in this report, recipients with coverage in another category are included in their other coverage group. The largest number of these dually-eligible are enrolled as QMBs. These recipients get MPAP coverage in addition to QMB coverage. The Program paid \$57.6 million for 1,017,908 prescriptions, an average of \$56.59 per prescription. Table 11 is a summary of the average enrollment; total costs and number of prescriptions, average cost of prescriptions, and average prescriptions per recipient from fiscal year 1997 through 2001.

KIDNEY DISEASE PROGRAM

Created in 1971 by the Maryland General Assembly and revised in 1991, the Kidney Disease Program of Maryland (KDP) is a payer of last resort providing financial assistance to certified recipients for services, treatment, and medications required as a direct result of their end-stage renal disease (ESRD). This applies to participants who are eligible for Medical Assistance (fee-for-service) as well as any other health insurance carrier.

The HealthChoice program is not available to Medicare recipients. Ninety-five to ninety-eight percent of all ESRD patients are eligible for Medicare's ESRD Program. The program is available to permanent residents of Maryland who have been certified as having chronic end-stage renal disease; who are citizens of the United States or lawfully admitted aliens; and who have begun a course of chronic maintenance dialysis or have received a renal transplant. Financial status is not a criterion for eligibility, but may affect the amount of financial responsibility which may be borne by the recipient in the form of an annual Program participation fee. The KDP uses the Federal Poverty Income Guideline, updated annually, to determine the Program participation fee, if applicable.

NOTES ON TABLES

Prior to the implementation of HealthChoice, statistical information on enrollees was available through information gathered from claims forms submitted for payment. Under HealthChoice, the Department pays Managed Care Organizations (MCOs) a capitated monthly payment for each enrollee and no longer receives a claim for each service provided. The MCOs send the department encounter data; detailed data about individual services provided by the MCO. Encounter data are sometimes referred to as "shadow claims".

With many more eligibles in managed care, HealthChoice significantly reduced the number of fee-for-service (FFS) claims processed and paid through the MMIS payment system.

In fiscal year 2001 about 30% of Medicaid payments made were for prepaid health care to MCOs and HMOs. The remaining FFS payments detailed in this report cover primarily those enrollees not eligible for managed care and some services for enrollees in MCOs. While all health care costs are processed through the Maryland Medicaid Information System (MMIS), information on specific services provided by MCOs (encounter data) is not included in this report.

Medicare/Medicaid Enrollees

Because many services for persons aged 65 years and older or disabled persons are partially funded by the federal Medicare program, the number of services provided and the payments made through the Maryland Medical Assistance Program for these persons do not represent all the health care services they receive. The tables reflect only the health care services for those aged 65 and over which were paid for by the Medical Assistance Program, and do not include premiums paid for Part B of Medicare.

For QMB recipients, the State pays Medicare coinsurance and deductibles. The State also pays Medicare premium payments (or a portion) for other Medicare eligibles (SLMBs).

Submission of Claims

Providers must submit claims within 9 months after the date a service is provided. Since the statistics in the following tables are based on the date payment is made, rather than the date service is provided, the statistics will represent some services provided in the previous fiscal year. Likewise, it does not reflect some services provided in the current year.